Argentina's Mother Bond: The 2126 Terminal Superbond as an AMUL-P Application in Argentina

A proposal for a 100-year nominal anchor, tightly bounded prefunding of peso-denominated interest payments, and the creation of a sovereign yield curve through STRIPS

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Scope note. This document applies the AMUL-P framework developed by Gatnau (2026) counterfactually to Argentina. It does not describe current official policy and does not constitute a recommendation for immediate execution. The proposal would require specific legal authorization, prudential design, and an ex ante assessment of monetary, fiscal, and BCRA balance-sheet risks.

Abstract

Argentina presents a distinctive combination: inflation remains high but is in a process of disinflation, the public sector records primary and overall fiscal surpluses, public debt in local currency is significant, and yet there is effectively no long-term fixed nominal yield curve in pesos. This paper proposes turning that absence itself into an object of policy. It designs an 'AMUL Argentina 2126 Superbond': a 100-year sovereign bond denominated in nominal pesos, carrying a 10% coupon and a maximum face value equivalent to 30% of GDP, initially purchased by the Central Bank of the Argentine Republic (BCRA). The program deliberately decouples the size of the anchor asset from effective monetization: the proceeds would remain in a restricted account and could be released, initially for six months and potentially for twelve, solely to pay interest on public debt denominated in pesos.

The bond would be strippable. Separating coupons and principal would make it possible to create zero-coupon references at different horizons, gradually release free float into the secondary market, and build a nominal peso yield curve that does not currently exist. The BCRA would administer only the terminal end - an initial 10% cap on the 100-year yield - while STRIPS with earlier maturities would be freely priced. Sales of STRIPS would serve two purposes: price discovery and sterilization of the liquidity created by the interest-prefunding mechanism. The paper formalizes this architecture, its conditions for fiscal consistency, the six-month experimental protocol, its falsification criteria, and its main legal and macroeconomic risks.

The central hypothesis is paradoxical: strictly bounded monetization used to purchase terminal certainty could, under a credible fiscal anchor, reduce nominal uncertainty and inflation expectations even while initially expanding the central bank's balance sheet. Argentina is particularly useful for testing this hypothesis because its domestic nominal curve is truncated and the observable fixed-rate references in August 2026 are concentrated almost entirely below one year.

Keywords: AMUL-P; Argentina; Yield Curve Control; peso-denominated debt; STRIPS; terminal nominal anchor; monetization; sterilization; term structure of interest rates; BCRA.

1. Introduction

Argentina's financial problem is not only the level of inflation or the current cost of debt. It is also the absence of a credible nominal reference at long horizons. By late August 2026, the Treasury can place fixed nominal peso instruments at maturities of a few months, but longer horizons rapidly shift toward CER-indexed, TAMAR-linked, dual, or dollar-linked instruments. In the 27 August auction, the observable fixed-rate references matured in November 2026, January 2027, and May 2027, with effective annual yields between 29.75% and 30.69%. There is no liquid fixed nominal curve comparable to 10, 30, 50, or 100 years.

The Pure Ultra-Long Monetary Anchoring framework (AMUL-P) starts precisely from this absence. Instead of administering the very-short-term interest rate and waiting for the signal to propagate toward the long end, it fixes a terminal condition and allows earlier maturities to find prices consistent with it. This application proposes physically constructing that horizon in Argentina through an asset with very long legal maturity and a structure of tradable STRIPS.

The proposal is not a simple debt monetization scheme. Its architecture separates four magnitudes that are often conflated: (i) the nominal size of the asset that creates the horizon; (ii) the amount actually credited to the Treasury; (iii) the amount that may leave a restricted account and reach the private sector; and (iv) net monetization after sterilizing sales of STRIPS. The thesis is that large institutional firepower does not require an equivalent expansion in the quantity of money in circulation.

2. Argentina in August 2026: fiscal anchor, still-high inflation, and a truncated nominal curve

2.1. Fiscal starting point

The fiscal context is radically different from that of a classic hyperinflation. In July 2026, the National Public Sector recorded a primary surplus of ARS 2.960 trillion and an overall fiscal surplus of ARS 0.245 trillion, after net interest from intra-public-sector operations of ARS 2.715 trillion. Over the first seven months of the year, the government reported a primary surplus of roughly 0.9% of GDP and an overall fiscal surplus close to 0.1% of GDP. This implies that interest costs absorbed approximately 0.8 percentage points of GDP on a cumulative basis, without eliminating aggregate fiscal balance.

For the first half of the year, the official gap between a primary surplus of roughly 0.6% of GDP and an overall surplus of around 0.1% corresponds, as an order of magnitude, to about 0.5 percentage points of GDP in net interest. The sum of monthly payments reported between January and June is ARS 5.871 trillion. This figure should not be confused with 'interest exclusively on peso-denominated debt': the fiscal line includes interest on public debt in different denominations and excludes intra-public-sector flows. It nevertheless provides a useful benchmark for sizing a six-month pilot. The exact eligible amount should be calculated instrument by instrument from the schedule of interest payable in local currency.

2.2. A sizeable local debt stock, but no long nominal horizon

The July 2026 Monthly Debt Bulletin places total gross debt at the equivalent of USD 484.722 billion and debt in normal payment status at USD 482.204 billion. Of the latter, 48% is payable in local currency and 52% in foreign currency. A large local stock does not, however, imply the existence of a long fixed nominal curve: a substantial share of domestic debt is indexed or concentrated at relatively short maturities.

Indicator	Approximate situation as of August 2026
Year-on-year inflation	~33.8% in July 2026; 2.1% monthly
Cumulative primary surplus, Jan-Jul	~0.9% of GDP
Cumulative overall fiscal surplus, Jan-Jul	~0.1% of GDP
Debt in normal payment status	USD 482.204 billion equivalent
Debt payable in local currency	48% of debt in normal payment status
Fixed Treasury effective annual yield, 27-08-2026	29.75%-30.69% through May 2027
TAMAR effective annual rate, 10-08-2026	25.96%
Exchange-rate regime	Bands; FX is not fully free

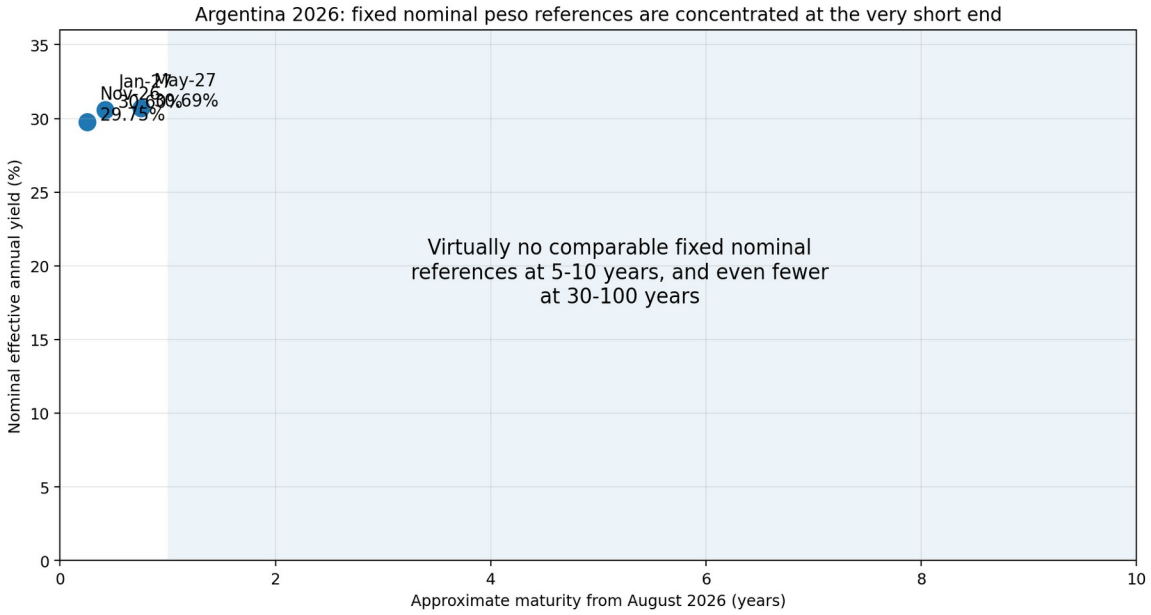

Figure 1. Fixed nominal peso references observable in the 27 August 2026 auction.

Source: author's calculations based on the Secretariat of Finance, auction results of 27-08-2026. The points represent different instruments and do not by themselves constitute a homogeneous zero-coupon curve.

2.3. A paradoxical opportunity

Argentina is not experiencing hyperinflation in 2026. In fact, annual inflation has fallen sharply from previous peaks, and the BCRA highlights a recovery in real money demand. The country is therefore not the ideal laboratory for the extreme version of AMUL-P. It does, however, offer a unique opportunity for a less dramatic test: there is a fiscal anchor, there is a

relevant domestic market, and precisely the variable the theory seeks to create is missing - a very-long-term nominal price in the domestic currency.

3. Proposal: AMUL Argentina 2126 Superbond

3.1. Basic parameters

The proposal is to establish by law a debt program called the 'AMUL Argentine Republic 2126 Superbond', with the following reference characteristics:

Parameter	Proposed design
Currency	Nominal Argentine pesos; no CER or dollar link
Maturity	100 years
Mother-bond coupon	10% nominal annual
Maximum authorized size	Face value equivalent to 30% of GDP
Initial buyer	BCRA, under specific legal authorization
Counterpart account	Restricted Treasury deposit at the BCRA
Initial use of funds	Government-debt interest payable in pesos
Pilot window	6 months; extendable to 12 under predefined conditions
Initial terminal cap	100-year yield not above 10%
Indexation	None
Tradability	Strippable; gradual free float in the secondary market

$$N^* = 0.30 \cdot GDP$$

$$R0 \leq I_ARS(0,6m)$$

$$y_100,t \leq 10\%$$

The 30% of GDP should not be interpreted as authorized spending or as an instantaneous monetary expansion. It is the maximum size of the asset that creates a maturity infrastructure and credible firepower. The initial flow that can reach the private sector would be limited to the certified amount of interest on peso-denominated public debt during the pilot window.

3.2. The restricted account: separating the BCRA balance sheet from money in circulation

A direct BCRA purchase would create, in accounting terms, a liability to the Treasury. To prevent the scale of the Superbond from becoming an immediate expansion of private money, the counterpart must remain in a legally restricted account. The Treasury could not freely dispose of the balance. Each release would require identification of the eligible interest service and would be made directly against its payment.

$$Release_t = \min\{ARS\ interest_t\ ;\ authorized\ balance_t\}$$

While the balance remains blocked at the BCRA, it is not money circulating in the private sector, although it does alter the size and composition of the central bank's balance sheet. This is why the credibility of the legal restriction matters as much as the amount of the bond. A future political majority able to unlock 30% of GDP at discretion would turn reserve firepower into a monetary overhang and destroy much of the program's logic.

3.3. Why 100 years and 10%?

The 100-year horizon has an institutional rather than predictive function. The claim is not that the market possesses precise information about inflation in 2126. The aim is to create a terminal point whose existence is independent of the political uncertainty of the next several electoral cycles. The 10% cap is deliberately higher than the 5% proposed for a

normal monetary regime: it acts as an emergency or transition regime that can be lowered as inflation and free-market yields converge.

$$(1.10)^{100} \approx 13{,}780.6$$

The capitalization above is a mathematical horizon reference, not the effective cost of a bond with annual coupons. A 10% coupon bond yielding 10% trades roughly at par and has a duration far shorter than 100 years, because a large share of its value is recovered through coupons. The advantage of the mother bond is not that its modified duration equals 100, but that it can be decomposed into zero-coupon cash flows maturing as far out as 2126. The 100-year principal strip is the purest terminal-duration asset, although its present value at 10% is extremely small: $1/(1.10)^{100} \approx 0.0000726$ per unit of face value. This makes liquidity design for that STRIP essential and cautions against confusing large face value with large market capitalization.

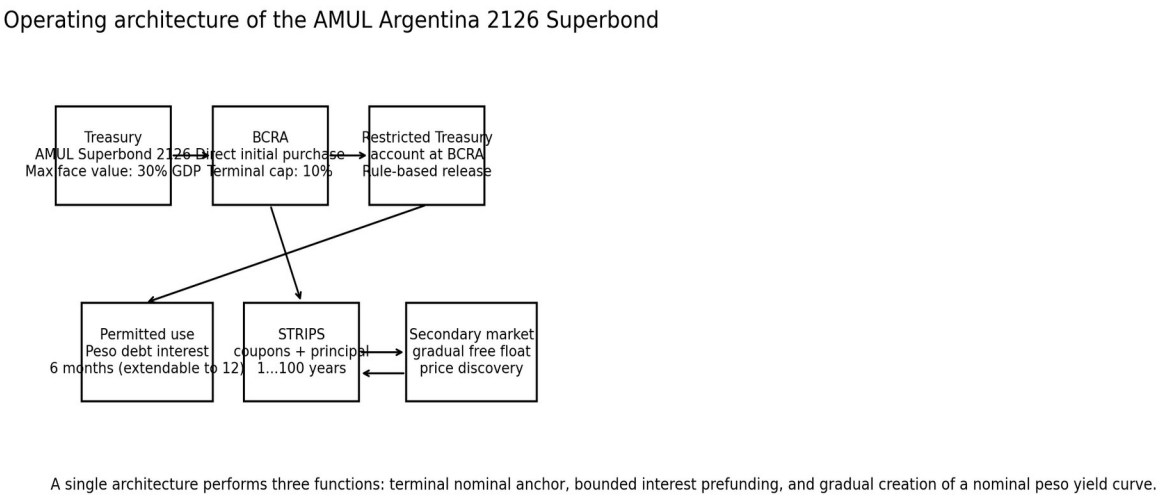

Figure 2. Operating architecture of the AMUL Argentina 2126 Superbond.

Source: author's calculations.

4. STRIPS: turning an administered bond into a market yield curve

4.1. The problem of 100% BCRA ownership

If the BCRA buys 100% of the Superbond and keeps it immobilized, there is an administered price but no price discovery. There is no market capable of revealing whether the private sector considers the anchor coherent. The decisive element is therefore the progressive creation of free float.

The mother bond must allow each coupon and the principal to be separated. Each cash flow becomes an autonomous zero-coupon security:

$$B_{100} = Z_1 + Z_2 + \ldots + Z_{99} + Z_{100}^C + Z_{100}^P$$

It is not necessary to release all one hundred maturities on day one. It would be sufficient to create liquid, standardized nodes - for example 1, 2, 5, 10, 20, 30, 50, and 100 years - and subsequently fill in the curve through arbitrage and interpolation. The BCRA would initially act as a warehouse of duration and release small, preannounced lots.

4.2. A gradual free-float rule

Free float should not depend exclusively on discretionary decisions. A simple rule can define a corridor for cumulative release, conditional on minimum liquidity and orderly market functioning:

$$FF_t = \min\{FF_{max} ; FF_{t-1} + \Delta FF_t\}$$

A purely illustrative path could place free float at 0.5% of the program after the first month, 1% after the third month, 2% after the sixth month, and 5% by the end of the first year. With a mother bond equivalent to 30% of GDP, even small

fractions would create material tradable volume. The objective is not to privatize the whole asset, but to generate prices deep enough for the market to contradict or confirm the official narrative.

4.3. Only the terminal end is administered

The core of AMUL-P requires strict discipline: subterminal STRIPS receive no caps. The BCRA commits only to ensuring that the terminal yield does not exceed the announced ceiling. If the market buys the terminal asset and accepts a lower return, the yield may freely fall below 10%. If it attempts to push it above the ceiling, the BCRA buys with nominally unlimited capacity.

$$y_{100,t} \leq 10\% \; ; \quad y_{\tau,t} \text{ free for } 0 < \tau < 100$$

This asymmetry preserves market information. A 100-year yield of 7.5% would be a positive signal requiring no intervention. By contrast, a curve with the 10-year at 40%, the 30-year at 25%, and the 100-year artificially pinned at 10% would reveal that the terminal anchor is not coordinating earlier expectations.

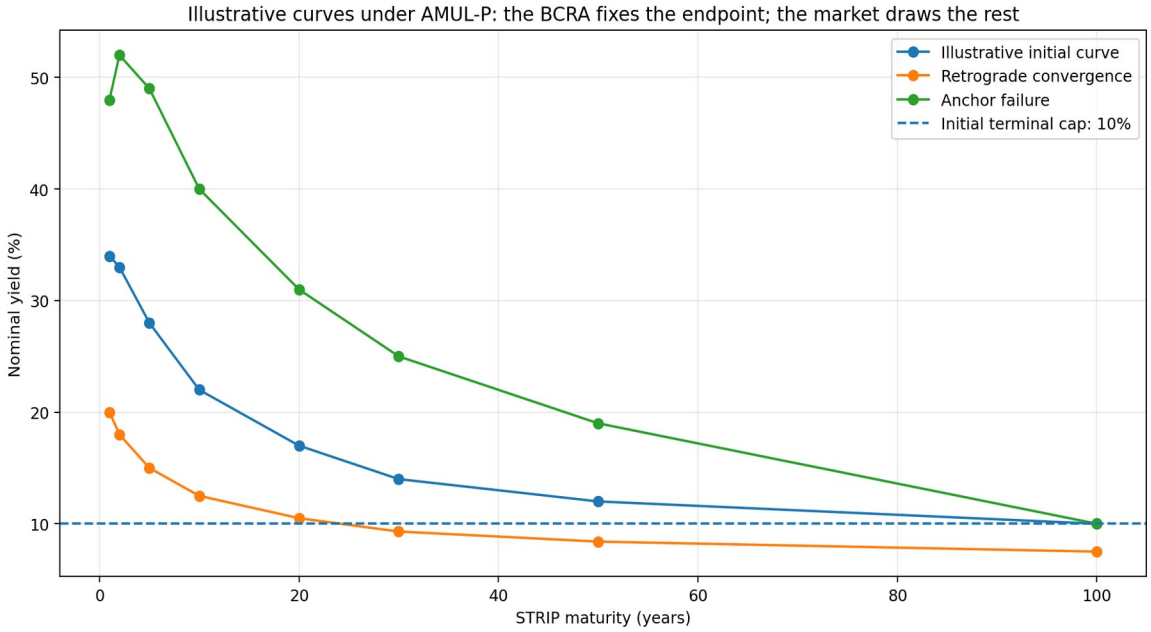

Figure 3. Hypothetical curves constructed with STRIPS.

Source: author's calculations. Values are purely illustrative and are not forecasts of Argentine yields.

5. Interest prefunding: six months first, twelve later

5.1. Why restrict the use to interest payments

The proposal gains credibility if newly created money does not finance primary spending. Argentina already records a primary surplus; the experiment seeks to isolate the financial cost arising from still-high nominal rates and the history of nominal risk. The enabling law should therefore expressly prohibit use of the AMUL balance for wages, benefits, transfers, public works, or tax reductions. Only contractual interest on National Government debt payable in pesos would be eligible.

The economic rationale is twofold. First, it prevents the program from becoming a means of circumventing the budget. Second, it seeks to break a possible transition loop: high nominal rates raise debt service; higher debt service must be refinanced at high rates; short maturities prevent the creation of a long reference. AMUL temporarily replaces part of that rollover cost with a terminal liability while simultaneously creating the curve that could reduce future refinancing costs.

5.2. Order of magnitude of the pilot

Cash data for the first half of 2026 show net interest payments, excluding intra-public-sector operations, of ARS 5.871 trillion and a gap of roughly 0.5% of GDP between cumulative primary and overall fiscal surpluses. That figure is an upper order-of-magnitude reference for a six-month window, not the exact amount of interest payable in pesos. A prior audit

should separate: payment currency, instrument, creditor, whether the holder belongs to the public sector itself, and effective payment date.

$$\text{Envelope}_{6m} = \Sigma \text{ Eligible interest in ARS, net of intra-public-sector holdings}$$

Extension to twelve months should not be automatic. It would require verifying that the program has not worsened inflation, FX, money demand, or BCRA solvency and that the free curve shows at least partial convergence toward the terminal point.

6. Monetary mechanics: gross monetization, sterilization, and the stabilization paradox

6.1. From interest payments to the monetary base

When the Treasury releases funds from the restricted account to pay a private creditor, BCRA liabilities to the Treasury become private-sector deposits or cash. That step does constitute effective monetization. The relevant monetary impact is therefore not the face value of the Superbond, but cumulative releases net of absorption operations.

$$M_{net,t} = R_t - S_t - \Omega_t$$

where R_t is the cumulative release for interest payments, S_t is the amount of pesos absorbed through STRIPS sales, and Ω_t represents other sterilization operations compatible with the regime.

6.2. STRIPS as a sterilization instrument

The BCRA can sell part of the STRIPS it holds to the private sector. The buyer delivers pesos; the central bank reduces reserves or deposits in the system and simultaneously creates a market reference at that maturity. The same architecture that monetizes financial service provides the asset with which part of that monetization can later be withdrawn. This functional circularity is one of the most attractive features of the design.

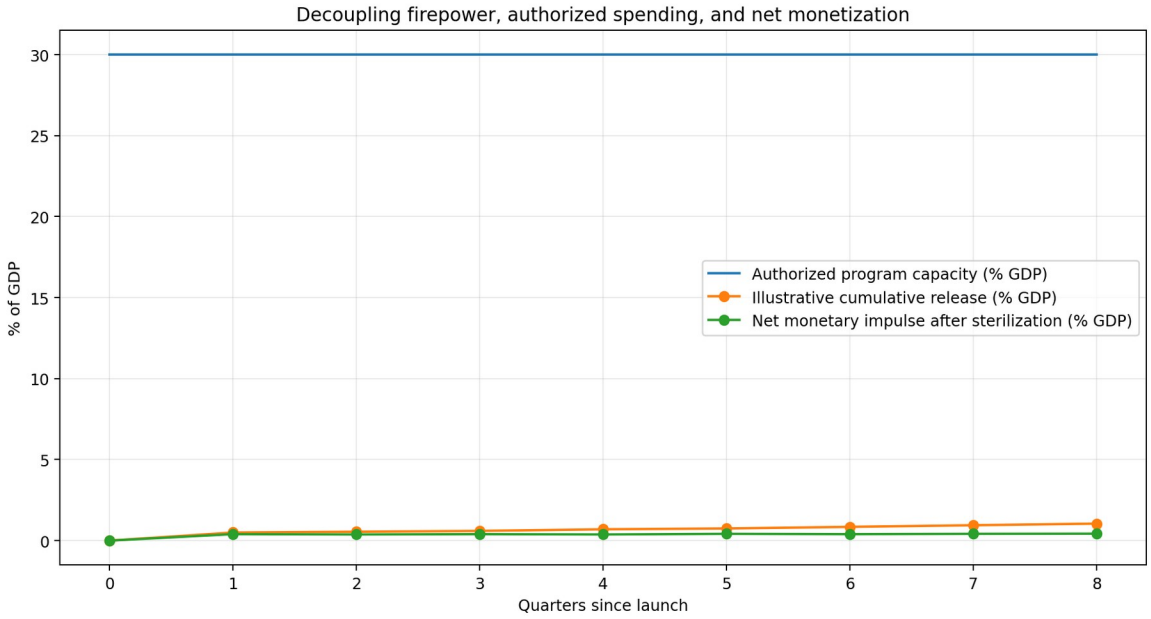

Figure 4. Difference between authorized capacity, fund releases, and net monetary impulse.

Source: author's calculations. Illustrative path; not a fiscal forecast.

6.3. The terminal stabilizing-monetization paradox

The program contains a deliberate paradox. A central-bank purchase of debt creates monetary capacity; in a conventional framework it would mechanically be associated with higher inflation expectations. Yet the same operation can

create long-term nominal certainty where none previously existed. If the fiscal anchor is credible and the monetary balance actually released is small or sterilized, the uncertainty-reduction channel may dominate the quantity channel.

$$\text{Total effect on } E[\pi] = \text{quantity channel } (+) + \text{credibility channel } (-)$$

The hypothesis does not claim that 'printing money lowers inflation.' It makes a narrower and falsifiable claim: monetizing only what is required to impose a terminal condition may be less inflationary - and may even reduce inflation expectations - than preserving complete nominal uncertainty, provided the market believes that the Treasury will not use the program to finance primary spending and that the BCRA can sterilize excess liquidity.

7. Fiscal accounting and consolidation: the hidden cost of the 10% coupon

7.1. A bond equal to 30% of GDP pays coupons equal to 3% of GDP per year

If the mother bond's face value equals 30% of GDP and the coupon is 10%, the annual contractual coupon flow initially equals 3% of GDP. While the BCRA owns the bond, these payments are largely transfers within the consolidated public sector. They should not be confused with a net cost of 3% of GDP vis-à-vis the private sector.

$$\text{Annual coupon} = 0.10 \cdot 0.30\ \text{GDP} = 0.03\ \text{GDP}$$

But every STRIP sold turns part of that internal flow into a genuine obligation to a third party. Free-float policy must therefore manage not only market liquidity but also the gradual externalization of future fiscal payments. Selling 5% of the mother bond on a homogeneous basis would, for example, transfer roughly 5% of each contractual cash flow to the market, not 5% of GDP.

7.2. The major risk is future fiscal dominance

The scheme is consistent only if the primary surplus is not replaced by an expectation that the BCRA will permanently finance the budget. If the market interprets the Superbond as a license to create money whenever tensions arise, the 100-year anchor loses informational value. The law should define a no-automatic-repeat clause, a closed list of uses, and expiration of the release mechanism unless Parliament renews it under objective metrics.

8. Legal and institutional fit

8.1. The proposal does not fit straightforwardly within the current BCRA Charter

Article 19 of the BCRA Organic Charter prohibits lending to the National Government except as provided in Article 20, which regulates Temporary Advances subject to quantitative and maturity limits. A direct purchase of a bond worth up to 30% of GDP to finance debt service would clearly exceed that ordinary architecture. Moreover, in July 2026 the BCRA itself reported that a reform bill sent to Congress seeks to prohibit Treasury financing through Temporary Advances. The AMUL Superbond must therefore be presented as a deliberate legal reform proposal, not as an operation that can be carried out today through an expansive interpretation of existing powers.

The enabling law should comprehensively define: maximum amount, restricted account, permitted uses, free-float rules, sterilization powers, accounting treatment, public disclosure, audit, sunset clause, and prohibition on financing the primary deficit. The more exceptional the monetary authority, the more rigid its governance must be.

8.2. Conflict with the current institutional direction

Official policy in 2026 emphasizes elimination of monetary financing of the Treasury as a source of credibility. AMUL-P proposes a conceptual exception: reintroducing a form of monetization, but restricting it to the purchase of a terminal asset and the prefunding of peso interest. The contrast is useful because it forces the model to demonstrate that the certainty created compensates for the reputational cost of breaking the no-financing rule. If it cannot, the current policy dominates the experiment.

9. Six-month test protocol

9.1. Phase 0: preparation

Before issuance, the Treasury and the BCRA should publish a schedule of eligible interest payments, a consolidated balance-sheet model, and a methodology for calculating the STRIP curve. The experiment's success depends on the rules being known before the results are observed.

The initial free-float nodes could be 1, 2, 5, 10, 20, 30, 50, and 100 years. The BCRA would announce minimum reopening and repurchase quantities only for the terminal node. The other prices would receive neither targets nor bands.

9.2. Phase 1: first six months

During the first window, the restricted account would release only eligible interest payments. At the same time, the BCRA would sell STRIPS in quantities small enough to preserve control of the program but sufficient to create quotations. The test would not be 'did the 100-year bond fall?', because that result is administered. The relevant variables are those that remain free.

Variable	Favorable signal	Failure signal
Spreads yτ - y100	Progressive decline	Increase or explosive persistence
FX / volatility	Stabilization without additional control	Accelerating depreciation and volatility
REM inflation, 12/24 months	Downward revision	Upward revision
Real money demand	Stable or rising	Persistent decline
Treasury rollover	Longer duration and lower premium	Greater dependence on the very short end
Net monetization	Bounded by sterilization	Growth far above plan
Primary balance	Remains ≥0	Deterioration indirectly financed by the scheme

9.3. Rule for moving from six to twelve months

Extension should require a majority of favorable indicators and no fiscal breach. One possible rule would be: (i) a non-negative cumulative primary balance; (ii) 12-month inflation expectations no higher than before the program; (iii) no persistent acceleration in FX depreciation; (iv) enough free float to provide quotations at at least five nodes; and (v) net monetization below a predefined ceiling as a percentage of GDP.

10. Three outcome scenarios

10.1. Strong success: retrograde convergence

The most favorable case would be that, after fixing the 100-year endpoint, the longer free-market yields begin to fall first and the movement gradually propagates toward shorter maturities. The market would be spontaneously building a bridge between the present and the terminal condition. In that case, the program would not merely have created a curve; it would also provide evidence for the central AMUL-P hypothesis.

10.2. Weak success: curve creation without a macroeconomic effect

It is also possible that STRIPS become liquid and make it possible to construct prices at 5, 10, 30, and 50 years, while those prices do not meaningfully converge toward the terminal anchor. Even then there would be an institutional gain: Argentina would have created a long nominal curve and a duration infrastructure it currently lacks. The result would be useful, although it would not validate the strong monetary channel.

10.3. Failure: an administrative terminal with an explosive rest of the curve

Clear failure would occur if the BCRA continuously absorbed the terminal asset at 10% while subterminal yields, FX, and inflation expectations deteriorated. Such a pattern would indicate that monetization and/or lack of fiscal credibility dominate the anchor. In that case, the program should be closed before extending the window to twelve months.

11. Main risks

Monetary-overhang risk. A restricted deposit equal to a large fraction of GDP can be neutral while blocked, but its mere existence creates a political option for future release. The law must make it costly or impossible to unlock it outside the original purpose.

Market-illusion risk. If free float is too small, STRIPS quotations may be technically observable but economically uninformative. There must be minimum depth, multiple market makers, and transparency of transactions.

Fiscal-dominance risk. The Treasury could stop internalizing the cost of interest if it expects the BCRA to pay it. Extension of the program must depend on primary discipline, not cash needs.

BCRA balance-sheet risk. Revaluation or losses on the asset, remunerated sterilization, and eventual sales of STRIPS can materially alter the central bank's net worth and income flow. The assessment should be conducted both at the consolidated Treasury-BCRA level and at the separate institutional level.

Legal risk. The proposal requires an exception precisely when Argentina's institutional reform is moving toward reducing monetary financing. Without extraordinary legal legitimacy, the experiment may destroy more credibility than it creates.

Implicit-indexation risk. Although the bond is nominal, investors may use CER, the dollar, and foreign assets as benchmarks to value the STRIPS. This is not a defect: the purpose is precisely to observe that comparison. But it means the terminal cap does not eliminate external discipline on the peso.

False-causality risk. A decline in inflation during the program may be due to the business cycle, fiscal policy, FX, terms of trade, or disinflation already underway. The empirical design must use event windows, free-market curves, and counterfactuals to isolate the effect of the terminal anchor.

12. What does the proposal add relative to existing alternatives?

Relative to a strategy of keeping short rates high, AMUL-P shifts the institutional commitment to the end of the curve and allows the short end to absorb volatility. Relative to CER, it seeks to create a genuinely nominal reference rather than a promise of indexation. Relative to dollar-linked or dollar debt, it seeks to rebuild the peso's intertemporal horizon rather than replace it with another unit of account. Relative to conventional QE, purchases are defined not by a balance-sheet quantity but by defense of a terminal condition and by a closed fiscal use.

The proposal is also not equivalent to ordinary debt consolidation. The objective is not merely to lengthen Treasury maturities: it is to manufacture a mother asset that can be transformed into a family of zero-coupon prices and to use that family simultaneously for price discovery and sterilization.

13. Is it worth testing today in Argentina?

The answer depends on the criterion. As an emergency necessity, probably not: Argentina in August 2026 is disinflating, maintains a fiscal surplus, and the BCRA seeks to strengthen a rule against monetary financing. Breaking that rule merely to conduct an experiment would carry a high reputational cost. As a market-design laboratory, however, Argentina is exceptionally interesting because it lacks precisely a long nominal curve while maintaining a significant domestic debt stock.

For that reason, the most prudent form of trial would not be to deploy 30% of GDP automatically. It would be to approve the legal infrastructure and the mother bond, block practically all of the capacity, release a first window equal to the audited schedule of peso interest payments, and create STRIPS free float in small quantities. The experiment would be justified not by an urgent need to finance the state, but by the possibility of creating a nominal horizon and studying whether the market uses it to reorganize expectations.

Paradoxically, the strongest scientific test of AMUL-P would occur in a future situation of much more extreme inflation or deflation, because the model's predictions would diverge more sharply from those of conventional policy. But a country should not seek a crisis in order to test a theory. The current Argentine case can serve as a tightly bounded institutional pre-pilot with explicit exit criteria.

14. Conclusions

The AMUL Argentina 2126 Superbond turns a structural weakness - the absence of a long nominal peso curve - into the center of a policy proposal. A 100-year mother bond, initially purchased by the BCRA, would make it possible to create a terminal condition, finance a limited and auditable window of peso interest payments, and, through STRIPS, gradually construct a market sovereign curve.

The key to the design is not the spectacular figure of 30% of GDP, but the decoupling of that size from effective monetization. Most capacity must remain blocked. Money enters circulation only against eligible interest and can be reabsorbed through sales of the STRIPS themselves. The BCRA fixes only the 100-year endpoint; the market remains free at every earlier maturity.

The experiment would be falsifiable. If free yields and FX converge toward a path consistent with the terminal point while expected inflation falls, there would be evidence in favor of retrograde coordination. If the terminal remains isolated at 10% while the rest of the curve and the currency deteriorate, the price will be purely administrative and the model will have failed.

The underlying paradox is that limited monetization can purchase certainty. Under fiscal discipline, that certainty may be more valuable for expectations than the marginal monetary expansion required to create it. Precisely because Argentina has recovered a fiscal anchor but still lacks a long nominal peso horizon, it offers a particularly demanding case in which to examine this hypothesis.

Appendix A. Basic design calculations

Magnitude	Result
Maximum face value of Superbond	30% of GDP
Annual coupon at 10%	3% of GDP, while face value remains constant
100-year capitalization factor at 10%	13,780.6
PV of 1 unit at 100 years at 10%	0.0000726
PV of principal equal to 30% of GDP at 100 years at 10%	~0.00218% of GDP
National Public Sector interest, Jan-Jun 2026, benchmark	~ARS 5.871 trillion; not exactly equal to peso-only interest
Primary-overall gap, H1 2026	~0.5% of GDP, order of magnitude of net interest

The extremely low market capitalization of a 100-year zero-coupon principal when the yield is 10% is a relevant practical constraint. For the terminal node to be liquid, it may be necessary to release a material fraction of the principal strip, use market makers, and/or complement the terminal-zero price with the yield on the reconstituted mother bond. This does not invalidate the 100-year horizon, but it does require a distinction among legal maturity, financial duration, and effective market depth.

Appendix B. Sources and methodology for 2026 data

The fiscal data used here come from monthly cash-basis releases by Argentina's Ministry of Economy. The interest figure is net of intra-public-sector payments and does not by itself provide a complete currency breakdown; it is therefore used as a benchmark rather than as the definitive program budget. Debt composition comes from the Secretariat of Finance's July 2026 Monthly Debt Bulletin. Short-term effective annual yields correspond to the 27 August 2026 auction. Bank rates and the exchange-rate regime come from the BCRA's Main Variables. July inflation corresponds to the INDEC CPI released in August 2026.

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